

the condition of education 2007



INDICATOR 41

International Comparisons of Expenditures for Education

The indicator and corresponding tables are taken directly from *The Condition of Education 2007*. Therefore, the page numbers may not be sequential.

Additional information about the survey data and supplementary notes can be found in the full report. For a copy of *The Condition of Education 2007*, visit the NCES website (<http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2007064>) or contact ED PUBs at 1-877-4ED-PUBS.

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Finance

International Comparisons of Expenditures for Education

At the postsecondary level in 2003, U.S. expenditures per student were \$24,074, higher than the OECD average of \$11,254.

Two measures commonly used to compare countries' investments in education are expenditures per student from both public and private sources and total expenditures as a percentage of gross domestic product (GDP). The latter measure allows a comparison of countries' expenditures relative to their ability to finance education. Private sources include payments from households for school-based expenses such as tuition, transportation fees, book rentals, or food services, as well as funds raised by institutions through endowments or returns on investment.

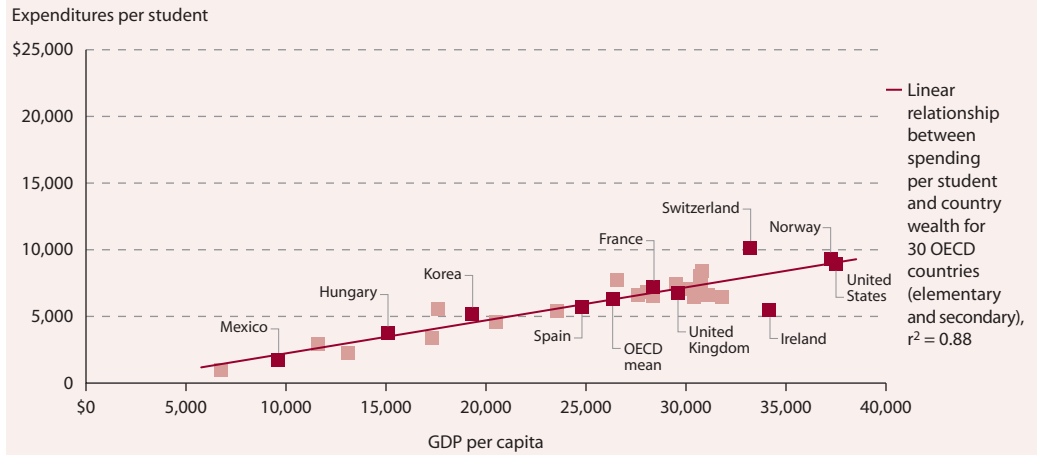
In 2003, expenditures per student for the United States were \$8,935 at the combined elementary and secondary level, which was higher than the average of \$6,278 for the member countries of the Organization for Economic Cooperation and Development (OECD) reporting data (see supplemental table 41-1). At the postsecondary level, U.S. expenditures per student were \$24,074, higher than the OECD average of \$11,254. Expenditures per student varied widely across the OECD countries, ranging from \$986 (Turkey) to \$13,621 (Luxembourg) at the combined elementary and secondary level

and from \$4,589 (Poland) to \$25,900 (Switzerland) at the postsecondary level.

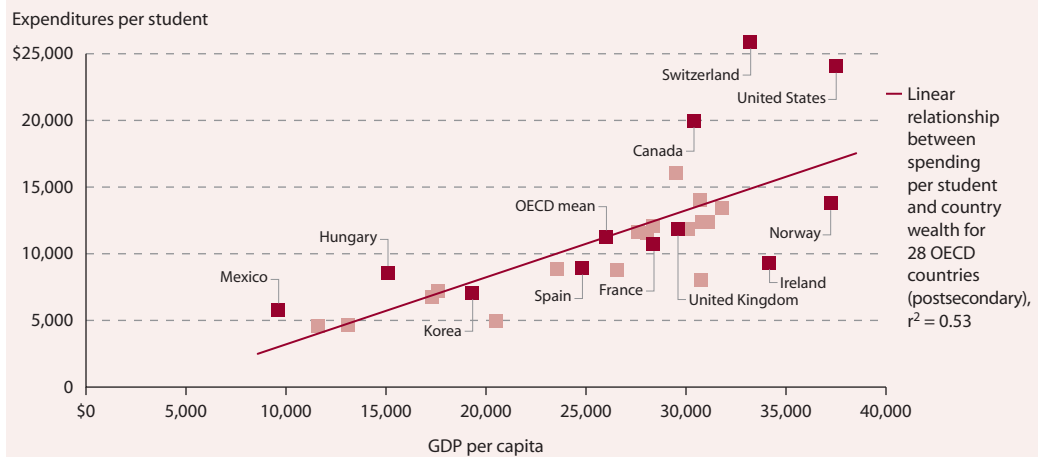
A country's wealth (defined as GDP per capita) was positively associated with expenditures per student on education at the elementary/secondary and postsecondary levels. In 2003, the United States and Korea spent the highest percentage of their GDP on total education expenditures¹ (7.0 percent) among the OECD countries reporting data. Looking at education expenditures by level, the United States spent 4.2 percent of its GDP on elementary and secondary education, higher than the average of 3.9 percent for all OECD countries reporting data. Compared with the United States, 10 countries spent a higher percentage of their GDP on elementary and secondary education, and 16 countries spent a lower proportion on education. At the postsecondary level, 2.9 percent of the GDP of the United States was spent on education expenditures, higher than the average of 1.4 percent for all OECD countries reporting data. The United States spent a greater percentage of its GDP on postsecondary education than all other OECD countries reporting data.



EXPENDITURES FOR EDUCATION: Annual expenditures per student, by GDP per capita for elementary and secondary education in selected OECD countries: 2003



EXPENDITURES FOR EDUCATION: Annual expenditures per student, by GDP per capita for postsecondary education in selected OECD countries: 2003

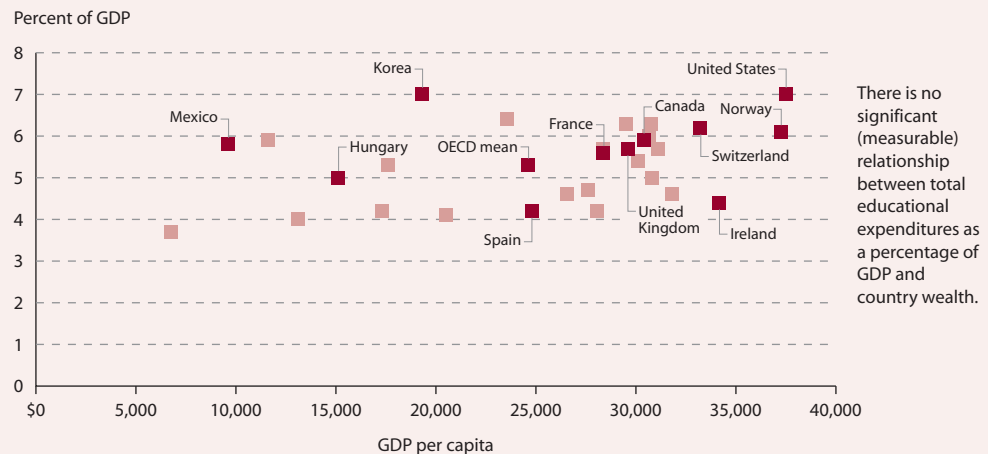


¹ Total education expenditures include expenditures at the elementary/secondary, postsecondary, and postsecondary nontertiary levels.

NOTE: Per student expenditures are based on public and private full-time-equivalent (FTE) enrollment figures and on current expenditures and capital outlays from both public and private sources where data are available. Purchasing power parity (PPP) indices are used to convert other currencies to U.S. dollars (i.e., absolute terms). Within-country consumer price indices are used to adjust the PPP indices to account for inflation because the fiscal year has a different starting date in different countries. Luxembourg data are excluded from the graphs because of anomalies with respect to their GDP per capita data (large revenues from international finance institutions distort the wealth of the population). The OECD average for GDP per capita for each graph is based on the number of countries with data available (30 for first graph; 28 for second graph; 27 for third graph).

SOURCE: Organization for Economic Cooperation and Development (OECD), Center for Educational Research and Innovation. (2006). *Education at a Glance: OECD Indicators, 2006*, tables B1.1c, B2.1c, and X2.1.

EXPENDITURES FOR EDUCATION: Annual total education expenditures as a percentage of GDP, by GDP per capita in selected OECD countries: 2003



FOR MORE INFORMATION:
Supplemental Note 6
Supplemental Table 41-1

International Comparisons of Expenditures for Education

Table 41-1. Annual expenditures on public and private institutions per student and as a percentage of gross domestic product (GDP) in OECD countries, by level of education: 2003

Country	Expenditures per student ¹		Expenditures as a percentage of GDP		Total ⁴	GDP per capita
	Elementary and secondary ²	Post-secondary ³	Elementary and secondary ²	Post-secondary ³		
OECD mean	\$6,278	\$11,254	3.9	1.4	5.3	\$26,355
Australia	6,584	12,406	4.1	1.5	5.7	31,100
Austria	8,399	12,344	3.8	1.1	5.0	30,797
Belgium	7,072	11,824	4.1	1.3	5.4	30,089
Canada ^{5,6}	6,482	19,992	3.6	2.4	5.9	30,403
Czech Republic	3,397	6,774	3.1	1.1	4.2	17,284
Denmark	8,011	14,014	4.3	1.8	6.0	30,677
Finland	6,501	12,047	4.0	1.8	5.7	28,334
France	7,181	10,704	4.2	1.4	5.6	28,373
Germany	6,594	11,594	3.5	1.1	4.7	27,619
Greece	4,587	4,924	2.8	1.3	4.1	20,479
Hungary ⁶	3,740	8,576	3.7	1.3	5.0	15,112
Iceland	7,319	8,023	5.2	1.2	6.3	30,774
Ireland	5,446	9,341	3.2	1.2	4.4	34,171
Italy ⁶	7,754	8,764	3.6	0.9	4.6	26,561
Japan	6,842	11,556	3.0	1.3	4.2	28,071
Korea	5,174	7,089	4.4	2.6	7.0	19,317
Luxembourg ⁷	13,621	—	—	—	—	55,571!
Mexico	1,763	5,774	4.5	1.3	5.8	9,585
Netherlands	6,439	13,444	3.4	1.3	4.6	31,792
New Zealand	5,419	8,832	4.9	1.5	6.4	23,551
Norway	9,300	13,772	4.6	1.5	6.1	37,237
Poland ⁶	2,959	4,589	4.4	1.5	5.9	11,583
Portugal ⁶	5,519	7,200	4.2	1.1	5.3	17,617
Slovak Republic	2,293	4,678	3.1	0.9	4.0	13,114
Spain	5,682	8,943	3.0	1.2	4.2	24,812
Sweden	7,453	16,073	4.5	1.8	6.3	29,522
Switzerland ⁶	10,150	25,900	4.6	1.6	6.2	33,217
Turkey ⁶	986	—	2.6	1.1	3.7	6,762
United Kingdom	6,741	11,866	4.6	1.1	5.7	29,609
United States	8,935	24,074	4.2	2.9	7.0	37,510

— Not available.

! Interpret data with caution (estimates are unstable).

¹ Per student expenditures are calculated based on public and private full-time-equivalent (FTE) enrollment figures for the 2002–03 school year and on current expenditures and capital outlays from both public and private sources where data are available.

² Includes postsecondary nontertiary data (International Standard Classification of Education [ISCED] level 4) for Australia, Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Japan, Netherlands, New Zealand, Norway, Poland, Slovak Republic, Spain, Sweden, Switzerland, and the United Kingdom. Also includes preprimary data (ISCED level 0) for Canada, Greece, and Luxembourg.

³ Includes all tertiary-level data (ISCED levels 5A, 5B, and 6). Also, includes postsecondary nontertiary data for Canada, Denmark, Iceland, and Japan.

⁴ Total includes elementary/secondary, postsecondary, and postsecondary nontertiary expenditures with the exception of Italy, Korea, Luxembourg, Mexico, Portugal, Turkey, and the United States where data for postsecondary nontertiary are either not applicable or not available.

⁵ Data are for 2002.

⁶ Public institutions only.

⁷ Luxembourg data are excluded from percentages because of anomalies with respect to their GDP per capita data (large revenues from international finance institutions distort the wealth of the population). Luxembourg has no postsecondary institutions.

NOTE: Educational expenditures are from public and private revenue sources. Purchasing power parity (PPP) indices are used to convert other currencies to U.S. dollars. Private sources include payments from households for school-based expenses such as tuition, transportation fees, book rentals, or food services, as well as funds raised by institutions through endowments or returns on investment. Within-country consumer price indices are used to adjust the PPP indices to account for inflation because the fiscal year has a different starting date in different countries. See *supplemental note 6* for more information on ISCED levels.

SOURCE: Organization for Economic Cooperation and Development (OECD), Center for Educational Research and Innovation. (2006). *Education at a Glance: OECD Indicators, 2006*, tables B1.1c, B2.1c, and X2.1.